

Introduced by Senator PadillaFebruary 19, 2010

An act to amend Section 10123.7 of the Insurance Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

SB 1471, as introduced, Padilla. Insurers: orthotic and prosthetic devices and services.

Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires health insurers to provide coverage for orthotic and prosthetic devices and services under terms and conditions that may be agreed upon between the policyholder and insurer, and requires that the device be prescribed by a physician and surgeon or doctor of podiatric medicine acting within the scope of his or her license or ordered by a licensed health care provider acting within the scope of his or her license.

This bill would make a technical, nonsubstantive change to the above-described provisions.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 10123.7 of the Insurance Code is
- 2 amended to read:
- 3 10123.7. (a) On or after January 1, 1986, every insurer issuing
- 4 group health insurance shall offer coverage for orthotic and
- 5 prosthetic devices and services under the terms and conditions that
- 6 may be agreed upon between the ~~group policyholder~~ insurer and

1 the ~~insurer~~ *group policyholder*. Every insurer shall communicate
2 the availability of that coverage to all group policyholders and to
3 all prospective group policyholders with whom they are
4 negotiating. Any coverage for prosthetic devices shall include
5 original and replacement devices, as prescribed by a physician and
6 surgeon or doctor of podiatric medicine acting within the scope
7 of his or her license. Any coverage for orthotic devices shall
8 provide for coverage when the device, including original and
9 replacement devices, is prescribed by a physician and surgeon or
10 doctor of podiatric medicine acting within the scope of his or her
11 license, or is ordered by a licensed health care provider acting
12 within the scope of his or her license. Every insurer ~~shall have~~ *has*
13 the right to conduct a utilization review to determine medical
14 necessity prior to authorizing these services.

15 (b) Notwithstanding subdivision (a), on and after July 1, 2007,
16 the amount of the benefit for orthotic and prosthetic devices and
17 services shall be no less than the annual and lifetime benefit
18 maximums applicable to all benefits in the policy. Any copayment,
19 coinsurance, deductible, and maximum out-of-pocket amount
20 applied to the benefit for orthotic and prosthetic devices and
21 services shall be no more than the most common amounts contained
22 in the policy.

23 (c) This section shall not apply to Medicare supplement,
24 short-term limited duration health insurance, vision-only,
25 dental-only, or CHAMPUS supplement insurance, or to hospital
26 indemnity, hospital-only, accident-only, or specified disease
27 insurance that does not pay benefits on a fixed benefit, cash
28 payment only basis.